

Memorandum

MIAMI-DADE
COUNTY

Date: February 20, 2007

To: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

Agenda Item No. 14(A)(4)

From: George M. Burgess
County Manager

Subject: Lease Agreement at 7831 N.W. 15 Street, Miami
for the Miami-Dade Police Department
Property # 3034-03-01

The attached Lease Agreement has been prepared by the General Services Administration at the request of Miami-Dade Police Department (MDPD) and is recommended for approval.

PROPERTY: 7831 N.W. 15 Street, Miami

COMMISSION DISTRICT: 12

OWNER: PSBP Industrial, L.L.C., a Florida Limited Liability Corporation

COMPANY PRINCIPALS: PS Business Parks, Inc.
Joseph D. Russell, Jr., President, CEO
Edward A. Stokx, Executive Vice President, CFO
Michael J. Lynch, General Partner
Viola Sanchez, Vice President

USE: 5,555 rentable square feet of industrial space, including five designated parking spaces.

JUSTIFICATION: MDPD has the need to expand offices, storage and work space for its Special Patrol Bureau located at 1501 N.W. 79 Avenue, Miami, in order to accommodate staff and newly acquired equipment, such as a breath alcohol testing bus, trucks, safety gear and other related materials. The Bureau will accommodate this need by expanding its operations into the subject warehouse, which is adjacent to the existing space.

LEASE TERM: Five years with one additional five-year renewal option period.

EFFECTIVE DATES: Commencing upon approval by the Board, acceptance of the leased space following completion of alterations and terminating five (5) years thereafter.

RENTAL RATE: The annual rent for the first lease year of the initial lease term is \$65,326.80, which is equal to \$11.76 per square foot. The annual base rent for the second through the fifth lease year, as well as for the renewal option period, shall be increased by four percent (4%). Commencing with the second lease year, the County will be responsible for its pro-rata share of increases in operating expenses over the base year 2007.

FINANCIAL IMPACT:

The total financial impact for the first lease year is estimated to be \$85,771.87, which is comprised of the following:

Recurring Occupancy Cost:

	<u>Total Dollars</u>	<u>PSF</u>
Annual Rent (Actual)	\$65,326.80	\$11.76
Electricity	<u>\$ 8,332.00</u>	<u>\$ 1.50</u>
Subtotal, recurring expense:	\$73,658.80	\$13.26

One-time Expense:

Lease Management Fee (4%):	\$2,613.07
Phones/Data Installation	\$8,750.00
Systems Furniture	<u>\$ 750.00</u>
Total Cost, first year	\$85,771.87

LEASE CONDITIONS:

Full service lease, net of electric, which is the County's responsibility. The Landlord is responsible for water and sewer, janitorial and custodial services, air conditioning and heating equipment, trash disposal, roof and roof leaks, maintenance of interior and all common areas, electrical lines and fixtures, plumbing and the exterior of the building.

CANCELLATION PROVISION:

The County may cancel at anytime by giving Landlord 90 days prior written notice.

FUNDING SOURCE:

Law Enforcement Terrorism Prevention Grants and Law Enforcement Trust Fund. This item has been budgeted by the Miami-Dade Police Department.

**OTHER PROPERTIES
EVALUATED:**

9400 N.W. 12 Street, Miami – \$10.70 per square foot per year, plus utilities and custodial and janitorial services. The building has structural damage that would require repair.

9000 N.W. 15 Street, Miami – \$10.00 per square foot per year, plus utilities and custodial and janitorial services. The building lacked adequate office space for the administrative personnel.

2170 N.W. 87 Avenue, Miami – \$14.50 per square foot per year, plus utilities and custodial and janitorial services.



Assistant County Manager



MEMORANDUM

(Revised)

TO: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

DATE: February 20, 2007

FROM: Murray A. Greenberg
County Attorney

SUBJECT: Agenda Item No. 14(A)(4)

Please note any items checked.



_____ **"4-Day Rule" ("3-Day Rule" for committees) applicable if raised**

_____ **6 weeks required between first reading and public hearing**

_____ **4 weeks notification to municipal officials required prior to public hearing**

_____ **Decreases revenues or increases expenditures without balancing budget**

_____ **Budget required**

_____ **Statement of fiscal impact required**

_____ **Bid waiver requiring County Manager's written recommendation**

_____ **Ordinance creating a new board requires detailed County Manager's report for public hearing**

_____ **Housekeeping item (no policy decision required)**

_____ **No committee review**

Approved _____ Mayor

Veto _____

Override _____

Agenda Item No. 14(A) (4)

2-20-07

RESOLUTION NO. _____

RESOLUTION AUTHORIZING EXECUTION OF A LEASE AGREEMENT AT 7831 N.W. 15 STREET, WITH PSBP INDUSTRIAL, L.L.C., A FLORIDA LIMITED LIABILITY CORPORATION FOR PREMISES TO BE UTILIZED BY MIAMI-DADE POLICE DEPARTMENT; AND AUTHORIZING THE MAYOR OR HIS DESIGNEE TO EXERCISE ANY AND ALL OTHER RIGHTS CONFERRED THEREIN

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board hereby approves the Lease Agreement between PSBP Industrial, L.L.C., a Florida Limited Liability Corporation, for premises to be utilized by the Miami-Dade Police Department, in substantially the form attached hereto and made a part hereof; authorizes the Mayor or his designee to execute same for and on behalf of Miami-Dade County; and authorizes the Mayor or his designee to exercise any and all other rights conferred therein.

The foregoing resolution was offered by Commissioner _____, who moved its adoption. The motion was seconded by Commissioner _____ and upon being put to a vote, the vote was as follows:

Bruno A. Barreiro, Chairman	
Barbara J. Jordan, Vice-Chairwoman	
Jose "Pepe" Diaz	Audrey M. Edmonson
Carlos A. Gimenez	Sally A. Heyman
Joe A. Martinez	Dennis C. Moss
Dorin D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 20th day of February, 2007. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF COUNTY
COMMISSIONERS

HARVEY RUVIN, CLERK

Approved by County Attorney as
to form and legal sufficiency.

Hugo Benitez

12/3/

By: _____
Deputy Clerk

LEASE AGREEMENT

THIS AGREEMENT made on the _____ day of _____, 2007, by and between PSBP INDUSTRIAL, LL.C., a Florida Limited Liability Corporation, hereinafter called the "LANDLORD," and MIAMI-DADE COUNTY, a political subdivision of the State of Florida, hereinafter called the "TENANT,"

WITNESSETH:

That LANDLORD, for and in consideration of the restrictions and covenants herein contained, hereby leases to TENANT and TENANT hereby agrees to lease from LANDLORD the demised premises described as follows:

5,555 rentable square feet of industrial space of which approximately 1,300 square feet is air-conditioned space, located at 7831 N.W. 15 Street, Miami, including five (5) adjacent parking spaces.

The Building's square footage is 216,700 rentable square feet, of industrial space which 5,416 square feet of usable square feet is to be occupied by TENANT as the Premises. The ratio of rentable square footage to usable square footage in the Building is presently 2.5 % (the "Factor"), which results in a rentable square footage in the Premises of 5,555.

The terms "rentable" and "usable" square footage (or area) shall have the meanings ascribed to them by the Building Owners and Managers Association International (BOMA) as the "American National Standard", as amended and in effect at the time of the execution of this Lease. Rentable area for the Premises and the Building shall be recomputed upon completion of the Building and/or the Premises. The respective rentable areas of the Premises, the Building and the Factor shall be certified by a licensed architect or engineer or by a duly qualified measurement specialist by the LANDLORD upon completion of the Building and the Premises. TENANT shall have the right to independently review and measure the Premises and the Building upon TENANT's taking of possession of the Premises. If there is a dispute as to the respective rentable areas the Premises, the Building and the Factor, and the parties cannot resolve any differences, the parties agree to have their respective measurement experts appoint an independent third party certified expert, either licensed architect or engineer or duly qualified measurement specialist to arbitrate and make a final determination as to the final rentable square footage areas and the Factor and the parties agree to be bound by said determination of the third party independent measurement expert.

The calculation of the Rentable areas of the Premises and the Building shall be adjusted from time to time to reflect any structural change or change in the amount of the common

areas of the building, or any change in use or function of any part of the Building. The Landlord shall furnish to Tenant notice of such recalculations as soon as they occur. The methodology of dispute resolution set forth above shall be applicable to any rentable areas of the respective premises and Building and the Factor.

TO HAVE AND TO HOLD unto the said TENANT for a term of Five (5) years, commencing on the later of, (1) the effective date of the resolution of the Board of County Commissioners approving this lease agreement, or (2) the acceptance of leased space by TENANT, following the completion of alterations by LANDLORD, if any, which shall not be unreasonably withheld or delayed (the "Commencement Date"), and terminating five years thereafter, for and at a total rental of Sixty Five Thousand Three Hundred Twenty-six Dollars and 80/100 (\$65,326.80) for the first lease year, payable in twelve (12) equal monthly installments of Five Thousand Four Hundred Forty-three Dollars and 90/100 (\$5,443.90), payable in advance on the first day of every month to PSBP Industrial L.L.C., P.O. Box 535003, Atlanta, Georgia, 30353-5003 or at such other place and to such other person as LANDLORD may from time to time designate in writing, as set forth herein. The second through the fifth lease year the annual rent shall be increased by four percent (4%). The October monthly installment rental payment for each year will be processed by the County after the close of the County's fiscal year, for each calendar year.

IT IS FURTHER MUTUALLY UNDERSTOOD AND AGREED BY THE RESPECTIVE PARTIES HERETO:

ARTICLE I
USE OF DEMISED PREMISES

The area of the demised premises shall be used by TENANT for the performance of County business by County departments, agencies, and authorities and for the performance of work incidental thereto, which will necessarily entail services performed for the general public.

ARTICLE II
CONDITION OF DEMISED PREMISES

TENANT hereby accepts the demised premises to be in a state of good repair and suitable for

usage by TENANT at the commencement of this Lease Agreement, subject to the provisions of Article XXII, "Improvements of the Demised Premises" and after completion of alterations and acceptance by TENANT.

ARTICLE III UTILITIES

LANDLORD, during the term hereof, shall pay all charges for water, waste disposal services used by TENANT. TENANT during the term hereof, shall pay for electricity used by TENANT.

ARTICLE IV MAINTENANCE

LANDLORD agrees to provide, repair or replace, as necessary, and maintain and keep in good repair, condition, and appearance, during the term of this Lease Agreement or any extension or renewal thereof, the exterior of the building and the following:

- Plumbing and electrical lines, fixtures, and equipment;
- Halls, stairways, elevators, lavatories;
- Trash and refuse disposal;
- Janitorial and custodial services referenced in Exhibit "B" "Janitorial Services";
- Air-conditioning and heating equipment;
- Roof, roof leaks and all other structural elements of the building;
- Windows, doors, and frames;
- Fire equipment, including inspection as required by applicable fire codes;
- HVAC, referenced in Exhibit "A";
- Electrical, mechanical, utility and plumbing systems servicing the demised premises;

LANDLORD, at its sole cost and expense, shall perform or cause to be performed in the demised premises during the term of this Lease Agreement (except for Saturdays, Sundays, and holidays) after 5:00 p.m. the aforementioned maintenance, janitorial and custodial services as described above and as referenced in Exhibit "A" HVAC System "Preventive Maintenance for Leased Space" and Exhibit "B" "Janitorial Services."

Upon the failure of LANDLORD to effect repairs or perform the above-stated services pursuant to this Lease Agreement after five (5) days' written notification to do so by TENANT, TENANT may cause the repairs to be made and deduct their cost from the rental payments due and to become due until in each

instance TENANT has fully recovered such costs in accordance with audited costs of repair furnished by TENANT to LANDLORD. In the event of an emergency, TENANT after proper notification to the LANDLORD and failure of the LANDLORD to take immediate action, may perform repairs that are the LANDLORD's responsibility and receive a credit against rental payments or a cash reimbursement from LANDLORD for the actual costs thereof. During the term of this Lease Agreement or any renewal thereof, if in TENANT's reasonable judgment a condition exists with respect to any matter in which the LANDLORD is obligated to maintain, that which adversely affects TENANT's operations, and after proper notice, LANDLORD fails to repair same as required, TENANT may make such repairs and deduct the cost thereof from rental payments or any other amounts due to LANDLORD hereunder. All of the aforesaid repairs shall be made with reasonable diligence and in a good and workmanlike manner.

ARTICLE V ALTERATIONS BY TENANT

TENANT may not make any alterations, additions, or improvements in or to the demised premises without the written consent of LANDLORD. All additions, fixtures, or improvements (except but not limited to store and office furniture and fixtures which are readily removable without injury to the demised premises) shall be and remain a part of the demised premises at the expiration of this Lease Agreement. Subject to the above, any carpeting and removable partitions installed by TENANT within the demised premises shall remain TENANT's property and may be removed by TENANT upon the expiration of the Lease Agreement or any renewal or cancellation thereof. Throughout the term of this Agreement, LANDLORD agrees to provide any additions, fixtures, or other improvements that TENANT may request, and TENANT shall reimburse LANDLORD for any such additions, fixtures, or improvements separately invoiced to the TENANT at the rates agreed-upon with the LANDLORD for such services.

ARTICLE VI DESTRUCTION OF DEMISED PREMISES

In the event the demised premises or any portion thereof should be destroyed or so damaged by fire, windstorm, or other casualty, either party may cancel this Lease Agreement for its convenience by the

giving of written notice to the other at any time after the occurrence of the fire, windstorm, or other casualty. In the event of cancellation under this Article, neither party shall be responsible to the other party for any expense associated with the cancellation, and TENANT shall only be liable to LANDLORD for such rents as may be due as of the date of such fire, windstorm, or other casualty.

If neither party shall exercise the foregoing right of cancellation, LANDLORD shall cause the building and demised premises to be repaired and placed in good condition within one hundred twenty (120) days following the date of casualty, time being of the essence. If the demised premises sustained damages such that repairs cannot be completed within one hundred twenty (120) days, TENANT shall be entitled to cancel the Lease Agreement by the giving of written notice to LANDLORD at any time, notwithstanding the commencement of any repairs by LANDLORD. TENANT shall not be liable for rent during such period of time as the demised premises be untenable by reason of fire, windstorm or other casualty.

In the event of partial destruction or damages to the demised premises which do not render the demised premises untenable, the rents shall be proportionately abated in accordance with the extent to which TENANT is deprived of use, occupancy or full enjoyment of the premises, unless TENANT exercises its right of cancellation as set forth above.

ARTICLE VII **DISABLED INDIVIDUALS**

LANDLORD understands, recognizes, and warrants to the best of its knowledge that all common areas are, and shall at all times be maintained, in accordance with the requirements for disabled individuals contained in the Americans with Disabilities Act of 1990 (the "ADA") and Section 553.501 et seq. of the Florida Statutes, as presently written and as may be hereafter amended.

LANDLORD further warrants that the demised premises and access thereto, including but not limited to rest rooms, hallways, entryways to the street, and accessible parking, if parking is provided under the Lease Agreement, shall be in compliance with the accessibility standards for government programs contained in the ADA and all requirements of Section 553.501 et seq. of the Florida Statutes

LANDLORD covenants and agrees that the demised premises and access thereto shall at all times be maintained in accordance with the requirements of Section 255.21 of the Florida Statutes at LANDLORD's cost and expense, except where changes are required as a result of TENANT's change in program or work force.

LANDLORD agrees to correct any and all violations of the obligations of LANDLORD under this Section within thirty (30) days of written notice by TENANT of the existence of the same, provided that, if such violations cannot feasibly be corrected within said thirty (30) day period, then LANDLORD agrees to commence such repairs within said thirty (30) day period and to diligently pursue the completion of same within a reasonable period thereafter.

LANDLORD recognizes and agrees that throughout the term of the Lease Agreement, TENANT may in its discretion change its employees or programs which operate from the demised premises. LANDLORD agrees that TENANT may at TENANT's expense and subject to LANDLORD's prior reasonable approval, make such changes to the demised premises or the access thereto as may be required by TENANT to accommodate disabled individuals or to provide program accessibility in connection with any such change in TENANT's programs or work force.

ARTICLE VIII **NO LIABILITY FOR PERSONAL PROPERTY**

All personal property placed or moved in the demised premises above described shall be at the risk of TENANT or the owner thereof. LANDLORD shall not be liable to TENANT for any damage to said personal property unless caused by or due to negligence or willful misconduct of LANDLORD, LANDLORD's agents or employees.

ARTICLE IX **SIGNS**

Interior and/or exterior signs will be of the design and form of letter to be first approved by LANDLORD, the cost of painting to be paid by TENANT. All signs shall be removed by TENANT at termination of this Lease Agreement and any damage or unsightly condition caused to building because of or due to said signs shall be satisfactorily corrected or repaired by TENANT.

ARTICLE X
LANDLORD'S RIGHT OF ENTRY

LANDLORD or any of its agents shall have the right to enter said demised premises during all reasonable working hours, upon the giving of twenty-four (24) hours' prior notice, unless an emergency exists, to examine the same or to make such repairs, additions, or alterations as may be deemed necessary for the safety, comfort, or preservation thereof of said building or to exhibit said demised premises and to put or keep upon the doors or windows thereof a notice "FOR RENT" at any time within thirty (30) days before the expiration of this Lease Agreement.

ARTICLE XI
LIABILITY FOR DAMAGE OR INJURY

TENANT shall not be liable for any damage or injury which may be sustained by any party or person on the demised premises other than the damage or injury caused solely by the negligence of TENANT, subject to all limitations of Florida Statutes, Section 768.28.

ARTICLE XII
PEACEFUL POSSESSION

Subject to the terms, conditions, and covenants of this Lease Agreement, LANDLORD agrees that TENANT shall and may peaceably have, hold, and enjoy the demised premises above described, without hindrance or molestation by LANDLORD.

ARTICLE XIII
SURRENDER OF DEMISED PREMISES

TENANT agrees to surrender to LANDLORD at the end of the term of this Lease Agreement, or any extension thereof, said demised premises in as good condition as said demised premises were at the beginning of the term of this Lease Agreement, ordinary wear and tear and damage by fire and windstorm or other acts of God excepted.

ARTICLE XIV
INDEMNIFICATION AND HOLD HARMLESS

TENANT does hereby agree to indemnify and hold harmless the LANDLORD to the extent and

within the limitations of Section 768.28, Florida Statutes, subject to the provisions of that Statute whereby the TENANT shall not be held liable to pay a personal injury or property damage claim or judgment by any one person which exceeds the sum of \$100,000, or any claim or judgments or portions thereof, which, when totaled with all other occurrence, exceeds the sum of \$200,000 from any and all personal injury or property damage claims, liabilities, losses or causes of action which may arise solely as a result of the negligence of the TENANT. However, nothing herein shall be deemed to indemnify the LANDLORD from any liability or claim arising out of the negligent performance or failure of performance of the LANDLORD or any unrelated third party.

ARTICLE XV
SUCCESSORS IN INTEREST

It is hereby covenanted and agreed between the parties that all covenants, conditions, agreements, and undertakings contained in this Lease Agreement shall extend to and be binding on the respective successors and assigns of the respective parties hereto, the same as if they were in every case named and expressed.

ARTICLE XVI
ASSIGNMENT BY LANDLORD

If the interests of LANDLORD under this Lease Agreement shall be transferred voluntarily or by reason of foreclosure or other proceedings for enforcement of any mortgage on the demised premises, TENANT shall be bound to such transferee (herein sometimes called the "Purchaser") for the balance of the term hereof remaining, and any extension or renewals thereof which may be effected in accordance with the terms and provisions hereof, with the same force and effect as if the Purchaser were the LANDLORD under this Lease Agreement, and TENANT does hereby agree to attorn to the Purchaser, including the Mortgagee under any such mortgage if it be the Purchaser, as its LANDLORD, said attornment to be effective and self-operative without the execution of any further instruments upon the Purchaser succeeding to the interest of the LANDLORD under this Lease Agreement. The respective rights and obligations of TENANT and the Purchaser upon such attornment, to the extent of the then

remaining balance of the term of this Lease Agreement and any such extensions and renewals, shall be and are the same as those set forth herein. In the event of such transfer of LANDLORD's interests, LANDLORD shall be released and relieved from all liabilities and responsibility to TENANT thereafter accruing under this Lease Agreement or otherwise and LANDLORD's successor by acceptance of rent from TENANT hereunder shall become liable and responsible to TENANT in respect to all obligations of the LANDLORD under this Lease Agreement. Notwithstanding any law to the contrary, LANDLORD and TENANT agree that the rights created by this Lease Agreement shall be subordinate to any other instruments affecting the demised premises, such as mortgages, subsequent purchase agreements, or encumbrances, whether presently in existence or later created or filed.

ARTICLE XVII
NON-DISTURBANCE

The Lease Agreement shall be subordinate and subject to all ground or underlying leases and mortgages covering the fee of the property, or which at any time thereafter affect the property, and to all renewals, modifications, or replacements thereof; provided, however, that with respect to any ground lease agreement, underlying lease agreement, or mortgage subsequent to the date of this Lease Agreement, such subordination shall not be effective unless and until LANDLORD shall obtain from any and all such ground lessors, underlying lessors, and/or lenders a written agreement with TENANT wherein any and all such ground lessors, underlying lessors, and/or lenders shall agree that the Lease Agreement shall not be divested or in any way affected by foreclosure, other default proceedings, or other succession in interest by or under any ground lease agreement, lease agreement mortgage, or obligation secured thereby, so long as TENANT complies with the terms, conditions, and covenants of this Lease Agreement and performs its obligations under this Lease Agreement (said agreement being referred to herein as a "Non-Disturbance Agreement"). If LANDLORD shall so fail to obtain a Non-Disturbance Agreement from any ground lessor, holder of any mortgage, or underlying lessor, then the parties recognize that this Lease Agreement

shall be and remain superior to any such ground lease agreement, underlying lease agreement, and/or mortgage entered into or executed subsequent to the date of this Lease Agreement. Further, with respect to any and all existing ground lease agreement, underlying lease agreement, and/or mortgage, prior to the commencement of the construction of LANDLORD's work, LANDLORD shall obtain from any and all ground lessors, underlying lessors, and/or lenders a Non-Disturbance Agreement. LANDLORD and TENANT agree that the terms, conditions, and covenants contained herein shall not be altered or affected by any subsequent change in ownership of the Property by reason of foreclosure, conveyance, or otherwise any document purporting to transfer ownership in the Property, whether presently in existence or not, shall be subordinate to this Lease Agreement, and subject to the terms, obligations, and covenants herein. In the event that a change of ownership in the Property results in any additional costs to TENANT by material alteration of the terms of this Lease Agreement, LANDLORD agrees to indemnify TENANT for such costs.

ARTICLE XVIII **OPTION TO RENEW**

Provided this Lease Agreement is not otherwise in default, TENANT through its County Manager or his designee is hereby granted the option to extend this Lease Agreement for one (1) additional five-year (5) renewal option period upon the same terms and conditions, except that the rental rate shall be adjusted by four percent (4%) annually, by giving LANDLORD notice in writing at least ninety (90) days prior to the expiration of this Lease Agreement or any extension thereof. Should TENANT neglect to exercise any extension option by the date specified above, TENANT's right to exercise shall not expire until thirty (30) business days after notice from LANDLORD of TENANT's failure to exercise the option.

Should TENANT exercise its option to renew the Lease Agreement, LANDLORD at LANDLORD'S cost and expense, shall repaint the entire demised premises and replace carpet in all carpeted areas with TENANT's choice of carpet and color in accordance with conventional building standards.

ARTICLE XIX
CANCELLATION

TENANT, through its County Manager or his designee, shall have the right to cancel this Lease Agreement at any time by giving LANDLORD at least ninety (90) days' written notice prior to its effective date.

ARTICLE XX
HVAC MAINTENANCE

Without limiting the obligations of LANDLORD as set forth in ARTICLE IV, "Maintenance" of this Lease Agreement, LANDLORD shall be required to initiate and maintain a commercial HVAC system maintenance contract, or contracts, subject to TENANT's approval prior to LANDLORD's execution of said contract, which shall call for regular maintenance and service to such systems in accordance with industry standards and as outlined in Exhibit "A."

ARTICLE XXI
JANITORIAL AND CUSTODIAL SERVICES

LANDLORD, at its sole cost and expense, shall perform or cause to be performed in the demised premises, on a daily basis during the term of this Lease Agreement and any extensions thereof, (except for Saturdays, Sundays and holidays) after 5:00 p.m., the custodial and janitorial services with respect to the demised premises as per terms outlined in Exhibit "B."

ARTICLE XXII
IMPROVEMENTS OF THE DEMISED PREMISES

Subject to the terms, condition and covenants of this Lease Agreement, LANDLORD at LANDLORD's cost and expense, shall complete and prepare the demised premises for TENANT's initial occupancy and shall:

1. Replace the carpet throughout the demised premises.
2. Replace stained and damaged ceiling tiles.
3. Repair and/or replace defective light fixtures and light covers.
4. Repaint the interior of the demised premises.

5. Repair the warehouse's roll up door and its mechanism.
6. Repair and replace outlet covers and light covers.
7. Sanitize and clean restrooms and restroom tiled floor.
8. Repair and replace window blinds as necessary.
9. Clean windows throughout the demised premises.
10. Clean air conditioning grills/vents.
11. Perform an HVAC system preventive maintenance as per Exhibit "A," attached.
12. Install additional electrical outlets in warehouse space at no cost to tenant.

ARTICLE XXIII NOTICES

It is understood and agreed between the parties hereto that written notice addressed and sent by certified or registered mail, return receipt requested, first class, postage prepaid and addressed as follows:

TENANT:

General Services Administration
Facilities and Utilities Management Division
Real Estate Section
111 N.W. First Street, Suite 2460
Miami, Florida 33128

LANDLORD:

PSBP Industrial, L.L.C.
8216 N.W. 14 Street
Miami, Florida 33126

shall constitute sufficient notice to TENANT, and written notice addressed to LANDLORD, and mailed or delivered to the address as stated above, shall constitute sufficient notice to LANDLORD to comply with the terms of this Lease Agreement. Notices provided herein in this paragraph shall include all notices required in this Lease Agreement or required by law.

ARTICLE XXIV ENVIRONMENTAL QUALITY

Without prejudice to any other obligation of LANDLORD pursuant to this Lease Agreement, LANDLORD shall at all times comply with the following requirements:

- A. INDOOR AIR QUALITY. LANDLORD shall at all times maintain the Heating, Ventilating,

and Air Conditioning System (HVAC) and shall perform at least the minimum periodic preventive maintenance on the HVAC system equipment as specified in the attached Exhibit "HVAC System Preventive Maintenance For Leased Space" applicable to the TENANT premises.

B. WATER QUALITY. LANDLORD shall, prior to occupancy by TENANT and following any buildout, changes, or repairs by LANDLORD involving the plumbing system, have the drinking water sampled and tested for lead by a recognized Testing Laboratory. Results of such tests shall not exceed the EPA standard for lead in drinking water of 15 PPB. The drinking water test shall be paid for by the LANDLORD and the original test results shall be furnished to the TENANT.

C. NOTICE OF PEST MANAGEMENT OPERATIONS. The use of pesticide sprays or dusts in the demised premises as part of pest control services shall only be used in places of infestation as demonstrated by sticky traps or other such devices observed by TENANT but never as a preventative measure. Such spot sprays or dusts shall be only after normal working hours to allow for ventilation before TENANT employees re-enter the TENANT premises. TENANT encourages LANDLORD to employ the use of traps, baits, or portable vacuums before resorting to pesticide sprays or dusts. LANDLORD shall give TENANT twenty-four (24) hours' notice prior to commencement of pest control services that include sprays or dusts with any kind of pesticide or other chemicals. LANDLORD shall provide reasonable assurance that any and all such chemicals are being handled in accordance with the Material Safety Data Sheet (MSDS) provided by their manufacturer.

D. NOTICE OF RENOVATION OPERATIONS. LANDLORD shall act to prevent the degradation of indoor air quality during any building renovation, remodeling, and similar activities that could allow off-gassing from embodied chemicals in construction materials, furniture, or equipment into spaces occupied by and common areas used by TENANT. LANDLORD and its designated contractor will use only nontoxic paint or other surface coatings, and will cause the space to be continuously ventilated with outside air to prevent the build-up of chemical gases from construction materials, carpet, carpet glues, or other emissive materials during the buildout or renovation of the demised space.

ARTICLE XXV
WAIVER OF LANDLORD'S LIEN

LANDLORD, for itself and its successors and assigns, does hereby waive all rights to levy and/or distraint and all lien rights accrued and accruing as to all personal property, machinery, fixtures, and equipment, affixed or otherwise, now or hereafter belonging to or in the possession of TENANT. Further, TENANT may at its discretion remove from time to time all or part of its personal property, machinery, trade fixtures, and equipment.

ARTICLE XXVI
FORCE MAJEURE

TENANT and LANDLORD shall be excused for the period of any delay and shall not be deemed in default with respect to the performance of any of the non-monetary terms, covenants, and conditions of the Lease Agreement when prevented from so doing by cause or causes beyond TENANT's or LANDLORD's control, excluding filing of bankruptcy, but which shall include, without limitation, all labor disputes, governmental regulations or controls, fire or other casualty, acts of God, or any other cause, whether similar or dissimilar to the foregoing, not within the control of TENANT or LANDLORD.

ARTICLE XXVII
LANDLORD'S DEFAULT

It shall constitute a default of this Lease Agreement by LANDLORD if, except as otherwise provided in this Lease Agreement, LANDLORD fails to observe or perform any of the covenants, conditions, or provisions of this Lease Agreement to be observed or performed by LANDLORD, where such failure shall continue for a period of thirty (30) days after written notice thereof from TENANT to LANDLORD; provided, however, that if the nature of LANDLORD's non-compliance is such that more than thirty (30) days are reasonably required for its cure, then LANDLORD shall not be deemed to be in default if LANDLORD commenced such cure within said thirty (30) day period and thereafter diligently

prosecutes such cure to completion. In the event of any such default by LANDLORD, TENANT may at any time terminate this Lease Agreement within seven (7) days written notice to LANDLORD or bring an action for damages, or injunctive relief (it being recognized that in such event TENANT is irreparably harmed for which there is no adequate remedy at law). No remedy of TENANT provided for in the Lease Agreement shall be considered to exclude or suspend any other remedy provided for herein, but the same shall be cumulative and in addition to TENANT's remedies at law or in equity.

ARTICLE XXVIII WAIVER

If, under the provisions hereof, LANDLORD or TENANT shall institute proceedings and a compromise or settlement thereof shall be made, the same shall not constitute a waiver of any covenant herein contained nor of any of LANDLORD's or TENANT's rights hereunder, unless expressly stated in such settlement agreement. No waiver by LANDLORD or TENANT of any provision hereof shall be deemed to have been made unless expressed in writing and signed by both parties. No waiver by LANDLORD or TENANT of any breach of covenant, condition, or agreement herein contained shall operate as a waiver of such covenant, condition, or agreement itself, or of any subsequent breach thereof. No payment by TENANT or receipt by LANDLORD of lesser amount than the monthly installments of rent (or additional rent obligations stipulated) shall be deemed to be other than on account of the earliest stipulated rent nor shall any endorsement or statement on any check or letter accompanying a check for payment of rent or any other amounts owed to LANDLORD be deemed an accord and satisfaction and LANDLORD may accept such check or payment without prejudice to or waiver of LANDLORD's right to recover the balance of such rent or other amount owed or to pursue any other remedy provided in this Lease Agreement. No reentry by LANDLORD and no acceptance by LANDLORD of keys from TENANT shall be considered an acceptance of a surrender of this Lease Agreement.

ARTICLE XXIX
DEFAULT OF TENANT

If TENANT shall fail to pay any monthly installment or item of rent on the date when the same becomes due or shall violate or fail to perform any of the other conditions, covenants, or agreements herein made by TENANT, and if such violation or failure continues for a period of thirty (30) days after written notice thereof to TENANT by LANDLORD, except for failure to pay rent, which shall have a fifteen (15) day period for cure after written notice thereof to TENANT by LANDLORD, and further, if TENANT shall be diligently attempting to cure such failure to perform any other conditions, covenants, or agreements, the time to cure such failure shall be extended for so long as TENANT shall diligently prosecute such cure, then LANDLORD may proceed with any remedy available at law or in equity in the State of Florida or by such other proceedings, including reentry and possession, as may be applicable. All rights and remedies of LANDLORD under this Lease Agreement shall be cumulative and shall not be exclusive of any other rights and remedies provided to LANDLORD under applicable law.

ARTICLE XXX
OPERATING EXPENSES

Commencing with the second lease year and throughout the term of TENANT shall be responsible for its pro rata share of operating expenses over the base year 2007, which are estimated at \$2.87 per square foot, such operating expenses shall become additional rent payable monthly under the terms of this Lease Agreement. Such Operating Expenses shall include:

A. Direct Expenses: All direct costs of operation, maintenance, repair and management of the Building, as determined in accordance with generally accepted accounting principles, including the following costs by way of illustration, but not limitation: water and sewer charges; insurance charges of or relating to all insurance policies and endorsements deemed by LANDLORD to be reasonably necessary or desirable and relating in any manner to the protection, preservation or operation of the Building or any part thereof; which shall not include insurance deductible for any damages caused by fire, windstorm or other casualty or occurrences thereof; utility costs, including, but not limited to, water and sewer, and waste

disposal; the cost of custodial and janitorial services; the cost of security and alarm services; window cleaning costs; labor costs; costs and expenses of managing the Building including management fees; air conditioning maintenance costs; material costs; equipment costs including the cost of maintenance, repair and service agreements; licenses, permits and inspection fees incurred in connection therewith. Direct Expenses shall not include depreciation or amortization of the Building or equipment in the Building.

B. Taxes: Ad valorem taxes and any other taxes, charges and assessments which are levied with respect to the Building or the land appurtenant to the Building, or with respect to any improvements, fixtures and equipment or other property of LANDLORD, real or personal, located in the Building and used in connection with the operation of the Building and said land, any payments to any ground lessor in reimbursement of tax payments made by such lessor; and all fees, expenses and costs incurred by LANDLORD in investigating, protesting, contesting or in any way seeking to reduce or avoid increase in any assessments, levies or the tax rate pertaining to any Taxes to be paid by LANDLORD in any Lease Year. Taxes shall not include any corporate franchise, or estate, inheritance or net income tax, or tax imposed upon any transfer by LANDLORD of its interest in this Lease or Building. All ad valorem taxes shall be calculated on the November discounted amount.

C. The annual determination of Direct Expenses shall be made by LANDLORD and if certified by a nationally recognized firm of public accountants selected by LANDLORD shall be binding upon LANDLORD and TENANT. TENANT may review the books and records supporting such determination in the office of LANDLORD, or LANDLORD's agent, during normal business hours, upon giving LANDLORD five (5) days advance written notice within sixty (60) days after receipt of such determination, but in no event more often than once in any one year period. Prior to the actual determination thereof for a Lease Year, LANDLORD may from time to time estimate TENANT's liability for Direct Expenses and/or Taxes for the Lease Year or portion thereof. LANDLORD will give TENANT written notification of the amount of such estimate and TENANT agrees that it will pay, by increase of its monthly installments of rent due, additional rent in the amount of such estimate.

D. When the above mentioned actual determination of TENANT's liability for Direct Expenses

and/or Taxes is made for any Lease Year and when TENANT is so notified in writing, then:

1. If the total additional rent TENANT actually paid on account of Direct Expenses and/or Taxes for the Lease Year is less than TENANT's liability for Direct Expenses and/or Taxes, then TENANT shall pay such deficiency to LANDLORD as additional rent in one lump sum within thirty (30) days of receipt of LANDLORD's bill therefor; and

2. If the total additional rent TENANT actually paid on account of Direct Expenses and/or Taxes for the Lease Year is more than TENANT's liability for Direct Expenses and/or Taxes, then

LANDLORD shall credit the difference against the then next due payments to be made by TENANT.

E. Lease Year: Each calendar year falling partly or wholly within the term. If the term Commencement Date is other than January 1 or if the Termination Date is other than December 31, TENANT's liability for Direct Expenses and Taxes for the Lease Year in which date occurs shall be prorated based upon a three hundred sixty-five (365) day year.

ARTICLE XXXI **GOVERNING LAW**

This Agreement, including any exhibits or amendments, if any, and all matters relating thereto (whether in contract, statute, tort or otherwise) shall be governed by and construed in accordance with the laws of the State of Florida.

ARTICLE XXXII **HOLDOVER**

If TENANT, with LANDLORD's consent, remains in possession of the demised premises after expiration of the term and if LANDLORD and TENANT have not executed an expressed written agreement as to such holding over, then such occupancy shall be a tenancy from month to month at a monthly rental for the first month, after expiration of the term, equivalent to one hundred percent (100%) of the monthly rental in effect immediately prior to expiration, such payments to be made as herein

provided. In the event of such holding over, all of the terms of the Lease Agreement including the payment of all charges owing hereunder other than rent shall remain in force and effect on said month to month basis.

ARTICLE XXXIII
WRITTEN AGREEMENT

This Lease Agreement contains the entire agreement between the parties hereto and all previous negotiations leading thereto, and it may be modified only by resolution approved by the Board of County Commissioners.


IN WITNESS WHEREOF, LANDLORD and TENANT have caused this Lease Agreement to be executed by their respective and duly authorized officers the day and year first above written.

(CORPORATE SEAL)

By: PSBP INDUSTRIAL, L. L.C.

Margaret Garcia.
WITNESS

WITNESS

By: 
Viola Sanchez
Vice President

(LANDLORD)

(OFFICIAL SEAL)

ATTEST:

HARVEY RUVIN, CLERK

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

By: _____
Deputy Clerk

By: _____
George M. Burgess
County Manager

(TENANT)

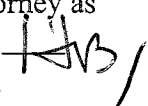
Approved by the County Attorney as
to form and legal sufficiency. 

Exhibit "A"
HVAC SYSTEM PREVENTIVE MAINTENANCE FOR LEASED SPACE

The following components are typically found in the Heating, Ventilating, and Air Conditioning (HVAC) systems in Miami-Dade County buildings; each component has the typical maintenance activity and minimum frequency noted:

- I. FILTERS - Applicable to all supply conditioned air to TENANT premises:
 - A. High-efficiency type (ASHRAE rated 85%) - preferred - changed every 2 years.
 - B. Electrostatic antimicrobial - minimum acceptable - cleaned every 30 days.
- II. OUTSIDE AIR INTAKE - applicable on all central systems:
 - A. Check for cleanness and operation if motorized louvers - filter preferred - quarterly.
- III. TEMPERATURE AND HUMIDITY - Temperature 73-78 degrees - Humidity 50-60%:
 - A. ASHRAE generally accepted comfort zone for South Florida.
 - B. Check controls and verify temperature and humidity are at or near guidelines - monthly.
- IV. AIR HANDLER - Separate type or self contained in AC package unit as applicable:
 - A. Clean coils and check for leaks and loose connections - check quarterly.
 - B. Lubricate fan motors and check belts - quarterly.
 - C. Check air intake and exhaust - quarterly.
 - D. Check fan motors for overheating and vibration - quarterly.
 - E. Check structural frame for sturdiness - quarterly.
 - F. Check and clean contact points in switches - quarterly.
 - G. Check condensate drip pan for standing water. Clean and spray with algicide quarterly.
 - H. Check, remove trash, and clean condensate drain and trap - quarterly.
- V. COMPRESSOR - Separate or self-contained in AC package unit as applicable:
 - A. Check for indication of leakage - monthly.
 - B. Check pressure and temperature - quarterly.
- VI. PUMPS as applicable:
 - A. Inspect belts for damage, tension, and alignment - quarterly.
 - B. Check bearings and seals (motor and pump) - quarterly or semi-annually.
 - C. Check phase voltage and impeller - yearly.
- VII. COOLING TOWER as applicable:
 - A. Check water level - minimum monthly - prefer weekly.
 - B. Check oil level in gear reducers - monthly.
 - C. Check for leaks and excessive noise or vibration - monthly.
 - D. Check water quality/chemical treatment - monthly.
- VIII. BUILDING EXTERIOR:
 - A. Check for water infiltration into walls or above ceilings to prevent mold and mildew - quarterly.
- IX. CEILING TILES:
 - A. Check and replace any ceiling tile that shows water stains to prevent mold spores - quarterly.
- X. SUPPLY AND RETURN AIR DUCTS:
 - A. Remove ceiling diffuser and clean, check for visible sign of dirt around the opening or dirt coming out of duct openings on supply air diffusers - yearly. If they are dirty, then clean the ducts.

EXHIBIT "B"
JANITORIAL SERVICES

The LANDLORD agrees to furnish janitorial and cleaning services as part of this Lease Agreement. This includes furnishing all cleaning/maintenance equipment and cleaning supplies as required, including but not limited to, bathroom tissue, paper towels, trash receptacle liners and hand soap (preferably liquid). All supplies are to be of good quality acceptable in the janitorial profession and of satisfactory quality suitable to the needs of personnel.

Cleaning of the facility shall be accomplished in accord with the following schedule:

a) FLOORS

Daily: Carpeted areas - vacuum.
 Non-carpeted areas - dustmop - spray buff as required, remove gum and other materials, spot damp mop to remove stains or spots.

Weekly: Non-carpeted areas - damp mop and spray buff.

Monthly: Strip and wax lobby, waiting and tile restroom areas.

Quarterly: Strip and wax hallway floors. (Apply three coats of Johnson Complete Wax or equivalent).

Semiannually: Machine clean carpets in hallways. Other areas are to be cleaned, if their condition so dictates.

Strip, reseal and wax with nonskid wax all normally waxed floors.

Annually: Machine clean all carpet throughout the facility.

b) WALLS, CEILINGS, INTERIOR DOORS, LEDGES, ETC.

Weekly: Spot clean. Clean light switch plates and surrounding wall areas. Dust windowsills, ledges, fixtures, etc.

Monthly: Dust or vacuum HVAC registers.

Annually: Clean all light fixture diffuses and wipe dust off light bulbs.

c) WINDOWS AND GLASS

Daily: Spot clean entrance and vicinity glass both inside and outside.

Spot clean directory and internal glass or windows.

Semiannually: Clean inside of external windows.

d) WATER FOUNTAINS

Daily: Clean and sanitize. Replenish supply of disposable cups (if applicable).

e) FURNISHINGS

Daily: Dust tables, chairs, credenzas, file cabinets, bookcases, etc.

Do not disturb any papers lying on desks or cabinets.

Weekly: Dust and clean all ornamental wall decorations, pictures, charts, chalkboards, etc.

Dust draperies, blinds or other window treatments.

Semiannually: Vacuum all drapes, blinds or other window treatments.

f) TRASH AND REFUSE

Daily: Empty and clean all trash receptacles. Receptacle liners are to be used and changed as necessary.
Remove all collected trash to external dumpsters or trash containers.

In conference rooms, reception areas, etc., remove accumulated trash, paper cups, soda cans, etc.

g) RESTROOMS

Daily: Maintain in a clean sanitary condition: floors, walls, doors, stalls, partitions, shelves, sinks, commodes, urinals, bath facilities, soap and towel dispensers.

Clean and polish mirrors.

Empty and sanitize trash and sanitary napkin receptacles.

Replenish supplies of tissue, towels and soap.

Monthly: Clean ceramic tile surfaces with a strong cleaner or bleach so that tile and grout have uniform color.

h) LOUNGE AND KITCHEN AREAS

Daily: Clean and sanitize sinks and counter areas.

NOTE: THE WASHING OF EMPLOYEE'S DISHES OR THE REFRIGERATOR IN THE LOUNGE OR KITCHEN AREAS ARE NOT REQUIREMENTS OF THIS CONTRACT.

i) EXTERIOR

Daily: Sweep outside area immediately adjacent to building entrances.
Keep parking lot and surrounding grass areas free of trash.

Empty outside trash receptacles.

Weekly: Sweep all exterior access areas, e.g., sidewalks, porches,
courtyards, etc.

Perform other such services as are necessary to keep the facility clean and in a sanitary condition.
In providing of the aforementioned services:

Only actual employees of the janitorial contractor are to be admitted to the;. During after hours cleaning, all outside doors are to be locked and janitorial staff are not to provide access to anyone into the facility. Janitorial staff are to check exterior doors and windows to insure the facility is secure at the time of leaving the facility.

LANDLORD shall provide reasonable assurance that any and all chemicals are being handled in accordance with the Material Safety Data Sheet (MSDS) provided by their manufacturer.

A copy of the MSDS for each cleaning agent or chemical used by janitorial service shall be provided to TENANT. Only those cleaning agents or chemicals approved by TENANT shall be used in the demised premises.